TSX:ADCO | OTCQX:ADCOF

Adcore's Q3 2026 Earnings Call

November, 2026



ADCORE

Hosts



Martijn van den Bemd

CPO & Investor Relations



Omri Brill

CEO



Amit Konforty

CFO

Agenda

- Forward Looking Statements
- CEO Opening Remarks
- CFO Financial Highlights
- Q&A

Forward Looking Statements and Information

This conference call contains certain forward-looking information and forward-looking statements (collectively “forward-looking information”), including statements about the Company. Forward-looking information may relate to the Company’s financial outlook and guidance (including revenue, gross profit, gross margin and Adjusted EBITDA), and anticipated events or results and may include information regarding the Company’s financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, plans and objectives. Particularly, information regarding the Company’s expectations of future results, performance, achievements, prospects or opportunities or the markets in which the Company operates, the achievement of advances in and expansion of the Company’s technologies and platforms, expectations regarding the Company’s revenue, gross margins and future profitability, the future impact of the COVID-19 pandemic and the Russian invasion of Ukraine and reactions thereto, is forward-looking information. Wherever possible, words such as “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict” or “potential” or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements and forward-looking information. These statements reflect management’s current beliefs and are based on information currently available to management as at the date hereof. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Such risks include the factors discussed under the "Risk and Uncertainties" section in the Company’s quarterly and annual MD&A’s. Other factors that could cause actual results or events to differ materially include, but are not limited to, loss of major clients, inability to acquire new clients, significant changes to policies and guidelines of media partners and any significant change to the global business environment and/or in specific territories in which the Company operates. These factors should be considered carefully and listeners and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this call and financial results press release are based upon what management believes to be reasonable assumptions, the Company cannot assure listeners and readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this conference call, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

CEO Remarks

The quarter where the new direction starts to show in the numbers.

Omri Brill
Chief Executive Officer & Founder

TSX:ADCO · OTCQX:ADCOF · FSE:ADQ

Tell you what I'm about to tell you

Three Things You'll Hear Today

01

We changed course

On October 21 we announced a new direction and a company-wide restructuring. Today you hear it from me directly.

02

Q3: early signs it's working

Margin up, loss halved, cash generated — with only a few weeks of the new cost base in the numbers.

03

Q4: back to operating profit

The first quarter with nearly the full new cost structure — and we expect to stay profitable from there.

The new direction · announced October 21, 2026

The Plan, in Three Lines

1

A lean, profitable, cash-generating operating business

The restructuring resets the cost base to match the business we actually run.

2

External capital for the AI products

Proposaly, AI Studio and Total Eclipse — to be funded at the product level, through external capital, partnerships, or divestiture.

3

Return of capital to shareholders

As results allow — profitability first, then capital returns.

The restructuring

Done Fast, Already in the Numbers

Monthly operating expenses

$1.3M → ~$0.9M

Roughly $1.3 million a month in Q3, heading to roughly $0.9 million by year-end — about a 30% lower run rate.

All figures in CAD

Began September

Substantially complete by October

Q3: partial benefit only

Opex already down 7% QoQ — SG&A −6%, R&D −15%

Full effect from Q1 2027

Q4 carries nearly the full new cost base

Q3 2026 Highlights

64%

Gross margin — up from 40% a year ago and 51% in Q2

$3.7M

Gross profit, up 20% YoY on revenue of $5.8M

–54%

Operating loss halved vs Q2 — to $263K from $570K

$112K

Positive Adjusted EBITDA, up from $42K in Q2

+$0.9M

Cash from operations — vs $1.5M used in Q3 2025

$4.3M

Cash, up from $4.0M at June 30 — and no debt

All figures in CAD · Q3 2026 vs Q3 2025 unless stated · North America revenue up 27% YoY

Let me be direct about revenue

Revenue Down. Gross Profit Up.

Not a bug — a feature.

We decided to focus on revenue with higher gross margins and let lower-margin business go — even though it was adding to the top line.

All figures in CAD · Q3 2026 vs Q3 2025

–54% Cost of revenue, year over year — cut by more than half

+20% Gross profit, year over year — up while revenue went down

+27% North America revenue, year over year — the business we kept is growing

“A smaller top line that earns more. That is the trade we chose — and we would make it again.”

Q4 2026 outlook

Back to Operating Profit

Q4 target operating profit

$500–700K

The first operating profit since Q4 2025 — and we expect to remain profitable on an operating basis thereafter.

Nearly the full new cost base

Restructuring effect more pronounced in Q4; full effect from Q1 2027

AI products: review ongoing

Strategic alternatives for Proposaly, AI Studio and Total Eclipse — product-level funding, partnerships, divestiture

Nothing agreed yet

We will update the market if and when any transaction is concluded

All figures in CAD · As announced October 21, 2026

Comparable Companies

Significant share price upside opportunity as Adcore rises to peers:

$0.145
Current share price
November 04, 2026

COMPANY NAME	TICKER	MARK CAP	ENTERPRISE VALUE (EV)	EV / GROSS PROFIT
Inuvo Inc	INUV US Equity	10.2	23.4	0.5
Illumin Holdings Inc	ILLM TO Equity	34.1	3.8	0.1
Fluent Inc	FLNT US Equity	150	176	2.3
PubMatic Inc	PUBM US Equity	1043.4	895	3.4
Criteo SA	CRTO US Equity	1073	892.2	0.6
Evertz Technologies Ltd	ET TO Equity	995.5	1021.4	3.3
DoubleVerify Holdings Inc	DV US Equity	2964.2	2758.4	3.1
Magnite Inc	MGNI US Equity	4577.3	4606.7	6.8
Kinaxis Inc	KXS TO Equity	5375	4880.9	8.7
Average				**3.2**
ADCORE	**ADCO TO**	**8.8**	**5.4**	**0.39**
			Upside	**719%**

As of November 4, 2026. Currency in CAD. All numbers in millions

Tell you what I just told you

What You Just Heard

01 We changed course — announced October 21, with the restructuring already largely executed.

02 Q3 shows the early signs: 64% gross margin, loss halved, cash up — on a partial quarter.

03 Q4: back to operating profit — and profitable from there.

The plan has not changed: a lean, profitable, cash-generating operating business — external capital for the AI products — and a return of capital to shareholders as results allow.

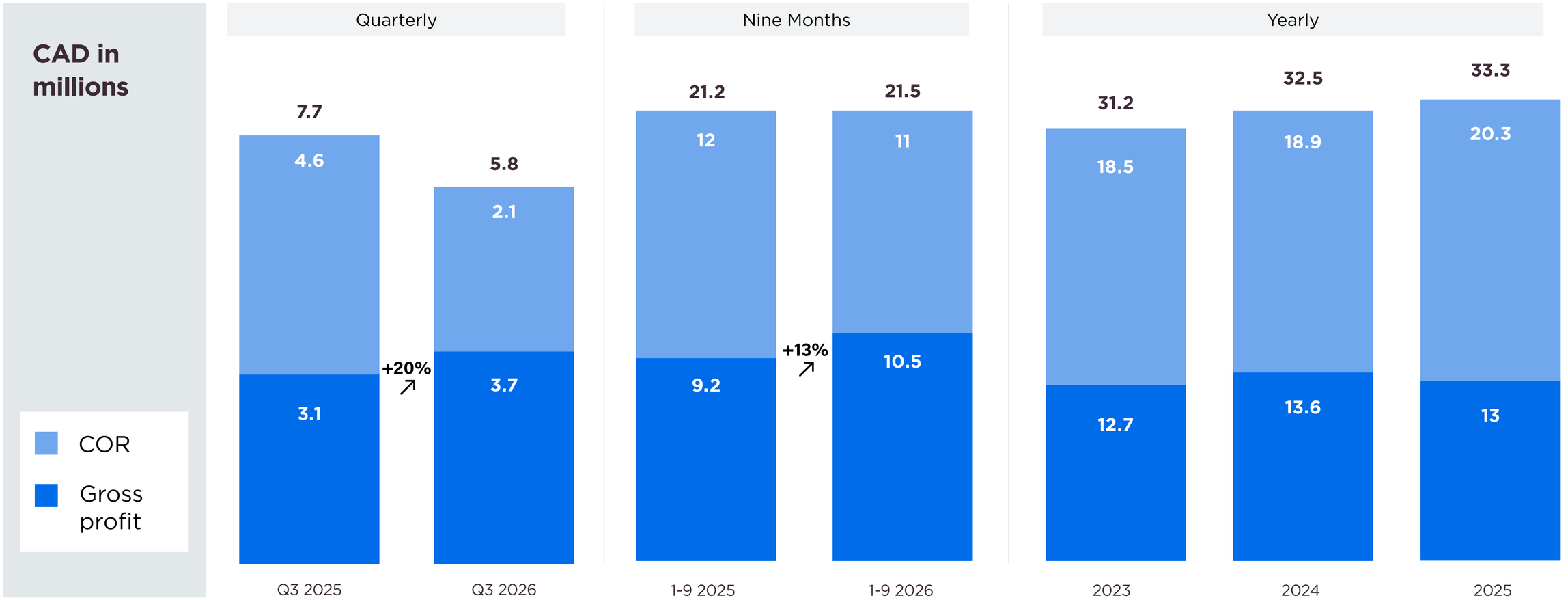
Adcore's Q3 2026 Earnings Call | November 2026

CFO Financial Highlights

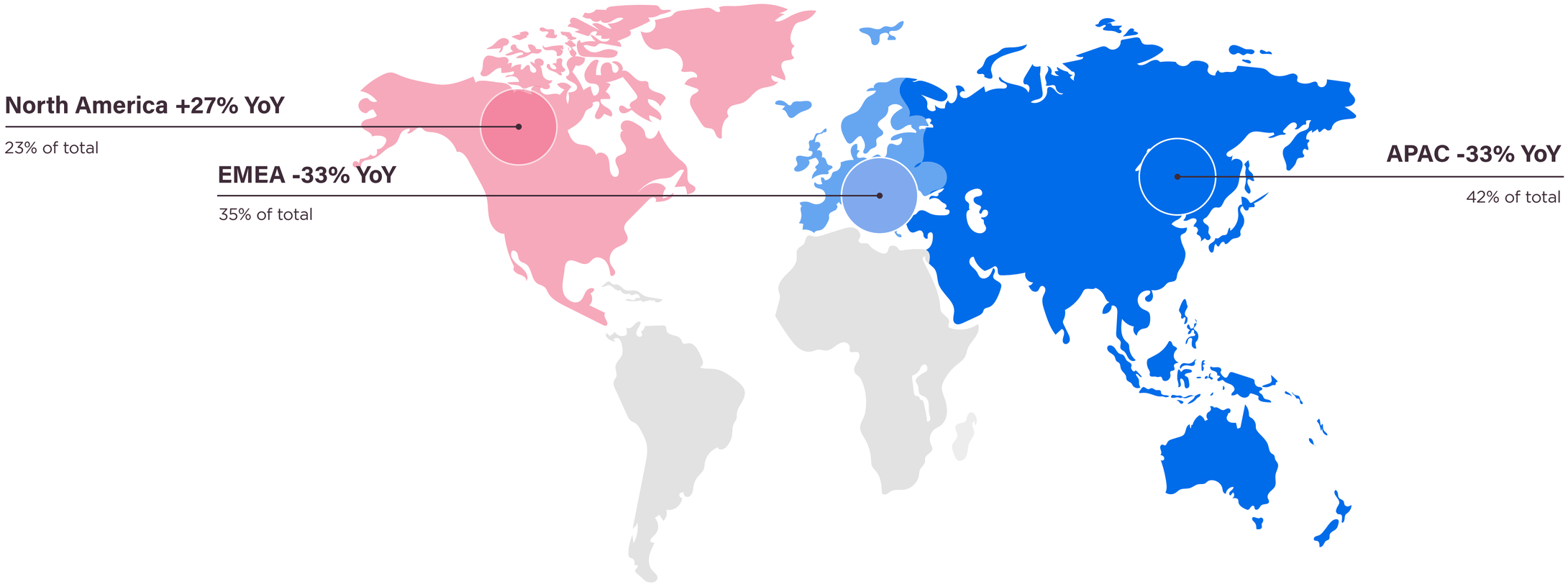
Comprehensive Income

CAD in million	Three months ended September 30, 2026	Three months ended September 30, 2025
Revenues	5.8	7.7
Cost of revenues	2.1	4.6
Gross profit	**3.7**	**3.1**
RnD	0.5	0.5
SG&A	3.5	2.9
Operating profit (loss)	**(0.3)**	**(0.3)**
Finance expenses	0.3	0.2
Finance income	0.0	0.0
Profit (loss) before taxes on income	**(0.6)**	**(0.5)**
Tax expenses (income)	0.0	0.0
Total Comprehensive Profit (loss) for the period	**(0.6)**	**(0.5)**

Revenues and Gross Profit

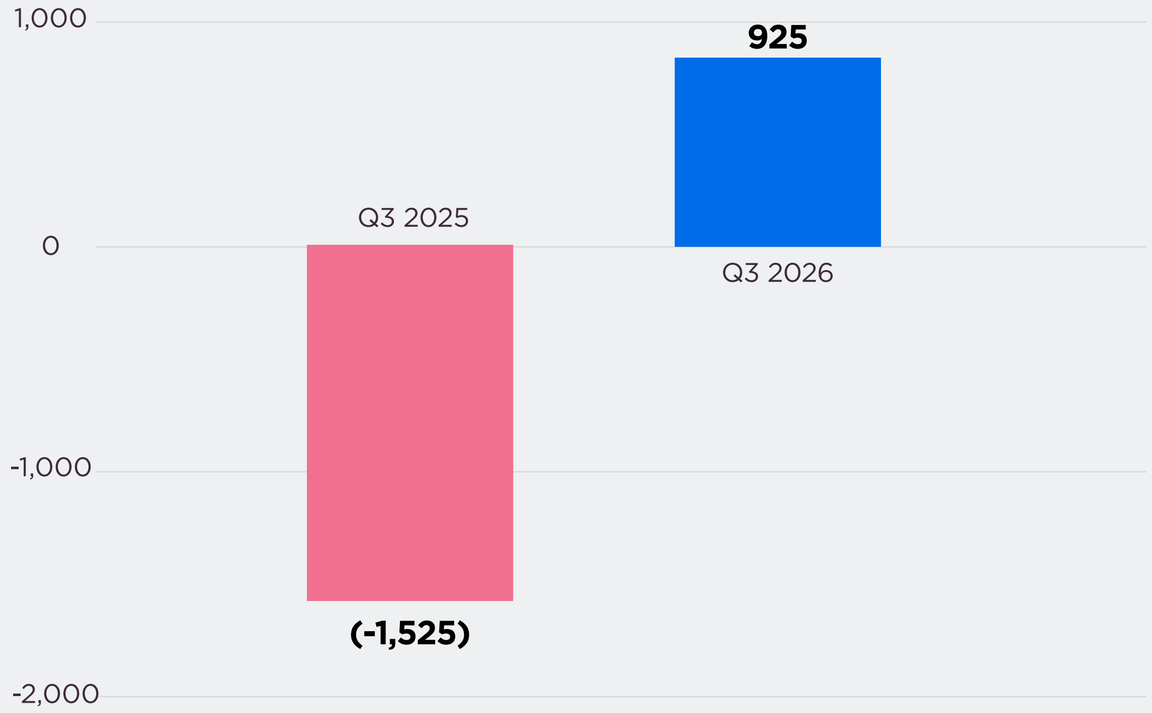


Q3 2026 Revenue Breakdown



Net Cash Generated by Operating Activities

CAD in thousands



Financial Position - Assets

CAD in million	30.09.26	31.12.25
CURRENT ASSETS		
Cash and cash equivalents	**4.3**	**10.3**
Trade accounts receivable, net	4.6	5.2
Other accounts receivable	0.4	0.4
Total current assets	**9.3**	**15.9**
NON-CURRENT ASSETS		
Property, plant and equipment, net	0.4	0.5
Intangible assets, net	5.6	4.6
Lease asset, net	0.5	0.6
Total non-current assets	**6.5**	**5.7**
TOTAL ASSETS	**15.8**	**21.6**

Financial Position - Liabilities

Debt free

CAD in million	30.09.26	31.12.25
CURRENT LIABILITIES		
Trade accounts payable	4.6	8.4
Other accounts payable	2.1	2.2
Lease liability	0.2	0.2
Total current liabilities	**6.9**	**10.8**
NON-CURRENT LIABILITIES		
Lease liability	0.4	0.5
Total non-current liabilities	**0.4**	**0.5**
Total Equity	**8.5**	**10.3**
TOTAL LIABILITIES & EQUITY	**15.8**	**21.6**

Adjusted EBITDA

CAD in thousands	Three months ended September 30, 2026	Three months ended September 30, 2025
Operating profit (loss)	(263)	(278)
Depreciation and amortization	349	361
Share-based payments	16	20
Other unusual and non-recurring items	10	19
Total Adjustments	**375**	**400**
Adjusted EBITDA	**112**	**122**

Adcore's Q3 2026 Earnings Call | November 2026

Q&A



TSX:ADCO | OTCQX:ADCOF

Thank You.

For more information visit **adcore.com/investors**

ADCORE